

Amendments to the Specification:

*Please amend the paragraph on page 5, between lines 19-25, as follows:

A1
While the particular embodiment described above includes an image on the circuit board 201, in alternate embodiments, the image can be on the parts picked up by the pick and place machine. In such a case the grid signal in the watermark can be used to convey to the computer 100 ~~100, the machine~~ the exact orientation of the part picked up by the pick and place machine 109. The pick and place machine can then be directed to move and rotate the part to the desired orientation and location.

*Please amend the paragraph on page 8, between lines 18-25, as follows:

A2
Camera equipment that has the ability to detect and read both a watermark grid signal and a watermark payload signal is well known. That is, systems and cameras which can acquire a digital watermarked image from a watermarked printed image are conventional. For example see co-pending application 09/444,770 filed 11/22/99 (now U.S. Patent No. 6,366,680) entitled "Adjusting an Electronic Camera to Acquire a Watermarked Image"; co-pending application 09/314,648 (now U.S. Patent No. 6,681,028), and co-pending application 09/343,104, the content of all of which is hereby incorporated herein by reference.